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DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

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Division Director

Supervisor 10074

Inspection Report

Minerals Regulatory Program

Report Date: July 7, 2005

Mine Name: North Lily--Tintic Project
Operator or Permittee Name:
North Lily Mining Company
Permittee Mailing Address:
1800 Glenarm Place #210, Denver, CO 80202

Permit number: M/023/007
Inspection Date: June 8, 2005

Inspector(s): Paul Baker and Tom Munson

Weather: Mostly cloudy, 70's
Inspection Start Time: 10:15 AM
Inspection End Time: 10:40 AM
Site location/Area Inspected (i.e. Pit #):
Heap Leach Pile

Other Participants: None

Permit Status: Forfeiture
Current Acreages: :
Total Permitted (Bonded): 25
Total Disturbed: 25

Surface Ownership: Fee
Mineral Ownership: Fee
Mineral Mined: Gold and silver
Type of Mine: Surface

Elements of Inspection	Evaluated	N/A	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (open shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Explosives, magazines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Demolition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Backfilling and Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Water Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Air Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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Purpose of Inspection:

In December 2004, the Division received a request to release the remaining reclamation bond since it has been three years since the site was last seeded. Our purpose in doing this inspection was to make a general assessment of the vegetation to see if it might qualify for release.

Inspection Summary:

13. Revegetation

Photo 1 shows vegetation on the heap leach pile. The vegetation on this pile has progressed markedly (Photo 2) except on about the lower third of the slope (Photo 3). We wondered whether this portion of the area was not seeded but, other than the lack of vegetation, have no evidence this is the case. The dominant species is forage kochia, but there are some perennial grasses and other plants. We found some weeds on the pile, but not a lot. We also found thousands of forage kochia seedlings. My experience is that most of these will die, but some should survive and increase vegetation cover.

Whitetop, a noxious weed, is creeping into the east side of the area (Photo 4).

Most vegetation in the facilities area is annual weeds, especially squarrose knapweed, another noxious weed, and cheatgrass. There are some perennial seeded species.

Conclusions/Recommendations:

I did not take vegetation cover measurements but do not believe either the heap leach pile or the facilities area meets release criteria. I suggest that the lower third of the heap leach pile slopes be roughened and reseeded. In addition, the operator should be working to control noxious weeds. Although this is difficult, especially considering that adjacent areas contain a lot of noxious weeds, the operator should be working actively to control them on the disturbed area.

If the operator feels the site meets the requirements for release, vegetation cover data supporting this conclusion should be submitted to the Division. However, even if there is adequate cover, I recommend that the bond not be released because of the noxious weeds. I recognize the difficulty in eradicating noxious weeds, but the operator should be actively working to eliminate them from the disturbed area. Noxious weeds are not conducive to any postmining land use.

Inspector's Signature



Date: July 7, 2005

PBB:jb

Enclosures: Photo Attachment

cc: Steve Flechner, Operator

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PHOTO ATTACHMENT

M/023/007, North Lily Mine—Tintic Project, North Lily Mining Company

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Photo 1. The heap leach pile. There is more vegetation than this photo would seem to indicate.



Photo 2. The lower third of the slopes has little vegetation.



Photo 3. Vegetation on most of the pile has progressed a lot. Forage kochia is the dominant species. Note the number of seedlings, particularly in the depressions.



Photo 4. Whitetop coming in from the east.